

General

Work request will be processed by a department/agency that is requesting work or services to be performed by another department/agency.

Budget and Accounting Implications

- a. Intra-Department Work Request – Form Used.
- b. The Work Request satisfies very specific needs. It:
 - ✓ Serves as a means for departments to perform work on behalf of other agencies, and to define the scope of work.
 - ✓ Authorizes an expenditure account on the FMS to be created to record all costs incurred by the performing agency;
 - ✓ Requires budgets of the benefiting agency to be encumbered (obligated), thereby reserving this agency's budget for the specific purpose of the work request;
 - ✓ Permits the Division of Accounts to capture all costs by the performing agency in fulfilling the scope of work and
 - ✓ Permits the Division of Accounts to directly charge back all cost incurred by the performing agency to the benefiting agency, without creating a paper trail of billings or requiring separate disbursements;
- c. The Work Request assumed that all transactions and budgets would be recorded on the same financial management system.

This is no longer true given the proliferation of separate financial

management systems in the last decade.

Billing and Collections Procedures

The creation of many separate financial management systems has created problems with the *Work Request* not originally anticipated.

Now work that is performed must be billed to the Division of Accounts and a disbursement made to the autonomous agency.

The Division of Accounts is compelled to treat the autonomous agency as a vendor and must obtain the benefiting agency's approval for payment.

The value of the *Work Request* as an accounting and budget document is greatly diminished to the point of being useless.

The *work request* in many instances, represents sub-grants (sub-awards) from a line agency.

STANDARD 1

Part A

WORK REQUESTS TO AN AGENCY EXEMPT FROM THE CENTRAL ACCOUNTING ACT (P.L. 13-96) AND FUNDED BY A LINE AGENCY WILL BE ENCUMBERED AS A CONTRACT. HENCEFORTH, A CONTRACT NUMBER WILL BE ASSIGNED. NO SEPARATE ACCOUNT WILL BE REQUIRED.

Part B

WHEREBY AN EXEMPT AGENCY REQUESTS FROM A LINE AGENCY, A REIMBURSABLE EXPENDITURE ACCOUNT ("X" ACCOUNT) AND A RECEIVABLE ACCOUNT WILL BE ESTABLISHED ON THE FMS.

Part C

WORK REQUESTS INVOLVING TWO LINE AGENCIES WILL

CONTINUE TO BE PROCESSED IN THE SAME MANNER AS PREVIOUSLY IN EFFECT.

STANDARD 2

BILLINGS FROM AUTONOMOUS AGENCIES SHALL GENERALLY BE MADE ON A MONTHLY BASIS AND SHALL BE TO REIMBURSE COSTS ALREADY INCURRED.

AN EXCEPTION SHALL BE FOR THE FIRST MONTH, WHERE THE AGENCY MAY BILL FOR THE ESTIMATED COSTS OF THE FIRST MONTH, CONSISTENT WITH THE PLANNED PROJECT PERIOD AS MAY BE EVIDENT ON THE WORK REQUEST OR THE ACCOMPANYING MEMORANDUM OF UNDERSTANDING (MOU). IN THOSE CASES WHERE THE WORK REQUEST AND MOU ARE IN CONFLICT, THE MOU SHALL PREVAIL.

WHEN THE PROJECT PERIOD IS LESS THAN TWO MONTHS OR LESS, THE FIRST BILLING SHALL NOT BE FOR MORE THAN 25% OF THE WORK REQUEST AMOUNT AND MAY BE MADE AFTER A CONTRACT NUMBER IS ASSIGNED.

Nature of Work Performed:

The *Work Request* is not intended to cover the following situations:

- ✓ Single transactions that should otherwise be accommodated by a direct payment (Such as a building permit, registrations for seminars, replenishing of postage meter, or deposit);
- ✓ Work that is not generally performed by the proposed performing agency (such as Guam Visitor's Bureau giving a work request to the Department of Administration for island-wide beautification).
- ✓ Encumber funds when the apparent intent is only to extend the life of an appropriation.

STANDARD 3

NO WORK REQUEST WILL BE ENCUMBERED WHEN THE WORK TO BE PERFORMED IS NOT THE STATUTORY MISSION OF THE PERFORMING AGENCY.

STANDARD 4

NO WORK REQUEST WILL BE ENCUMBERED WHEN THE SAME RESULT COULD BE ACCOMPLISHED WITH A SINGLE PAYMENT.

STANDARD 5

NO WORK REQUEST WILL BE ENCUMBERED IF THE WORK PERFORMED DOES NOT DIRECTLY BENEFIT THE AGENCY PROVIDING THE FUNDING.

Legal Aspects of Work Request:

- a. Two opinions largely govern the parameters of Work Requests. These are:

OPINION REFERENCE

DOA 94-0119
BBMR 86-0787

SUBJECT COVERED

Use of Work Request to Include Personnel Cost.

Legal Basis For Defining WORK REQUESTS as Encumbrances or OBLIGATIONS.

- b. *Memorandum of Understanding (MOU)*

It was not previously a requirement of the Financial Management System (BACIS) that an MOU accompany a work request.

However, recent use of work request by agencies indicates more complex relationships, which affect funding other than the General Fund, and may raise legal and procurement issues.

STANDARD 6

EFFECTIVE SEPTEMBER 30, 1994, ALL WORK REQUESTS MUST BE ACCOMPANIED BY A MEMORANDUM OF UNDERSTANDING.

THE MEMORANDUM OF UNDERSTANDING MUST HAVE THE APPROVAL OF THE ATTORNEY GENERAL AND THE GOVERNOR OF GUAM (DOA CIRCULAR NO. 98-026).

EFFECTIVE AUGUST 14, 1998, WORK REQUESTS WITH DOLLAR VALUES LESS THAN \$5,000 WILL NOT REQUIRE A MEMORANDUM OF UNDERSTANDING BUT MUST BE COMPLETED NOT LATER THAN 90 DAYS AFTER THE END OF THE FISCAL YEAR FOLLOWING IT ENCUMBRANCE IN THE ACCOUNTING RECORDS (DOA CIRCULAR 98-026).

Standards for Work Performed:

Standards have not previously been established, and consequently the financial system is plagued by work requests not acted upon and remaining on the financial management system.

This has resulted in compliance in forecasting cash requirements, may raise serious legal questions as to the artificial extension of an appropriation law, and the agency, which should have received the services, may suffer from non-performance.

The agency, which agreed to perform the work, has not always performed the work but later contracted for the work to be done.

STANDARD 7

EFFECTIVE SEPTEMBER 30, 1994 ALL WORK REQUESTS SIX MONTHS OR OLDER NOT COMPLETED UPON SHALL BE DEENCUMBERED AND AGENCIES NOTIFIED TO STOP WORK. PL 27-78 mandates deobligations 9 months after the close of a fiscal year. Example

P146A...POs must be deobligated by June 20, 2015)

REMAINING WORK REQUESTS SHALL BE GIVEN TERMINATION DATES TO COINCIDE WITH THE SIX MONTH ANNIVERSARY DATE OF THE DIVISION OF ACCOUNTS ESTABLISHMENT OF THE ACCOUNT (OR CONTRACT NUMBER). AFTER THAT TIME, A WORK STOP ORDER WILL BE ISSUED TO THE PERFORMING AGENCY.

STANDARD 8

EFFECTIVE SEPTEMBER 30, 1994 AND THEREAFTER, NO WORK REQUESTS WILL BE ENCUMBERED UNLESS THERE IS CERTIFICATION BY THE PERFORMING AGENCY THAT THE WORK PERIOD IS EQUAL TO OR IS LESS THAN THE NORMAL TIME FRAME AN INDEPENDENT CONTRACTOR WOULD REQUIRE TO PERFORM THE WORK.

STANDARD 9

EFFECTIVE SEPTEMBER 30, 1994, WORK REQUESTS WILL NOT BE PERMITTED FOR WORK THAT IS TO BE CONTRACTED FURTHER, BUT MUST REPRESENT WORK THE PERFORMING AGENCY WILL ITSELF DO.

Responsibilities of Performing and Benefitting Agencies:

Departments receiving services are reminded that it is their responsibility to monitor the progress of work performed and advise the Division of Accounts periodically.

STANDARD 10

WHEN AN AGENCY IS UNSATISFIED WITH THE WORK PRODUCT OR PROGRESS, THE AGENCY MUST COMMUNICATE THIS IN WRITING TO THE DIVISION OF ACCOUNTS AND DIRECT WORK TO BE STOPPED.

STANDARD 11

WHEN THE WORK PERFORMED IS COMPLETED, THE RECEIVING AGENCY SHALL INFORM THE DIVISION OF ACCOUNTS IN WRITING AS TO THE EFFECTIVE DATE OF COMPLETION TO PERMIT THE DIVISION OF ACCOUNTS TO CLOSE OUT THE EXPENDITURE ACCOUNTS (OR CONTRACT BALANCE ENCUMBERED).

STANDARD 12

A PERFORMING AGENCY HAS THE RESPONSIBILITY TO MANAGE COSTS AND PERFORM TIMELY.

STANDARD 13

A PERFORMING AGENCY MAY REQUEST THAT THE RECEIVING (BENEFITTING) AGENCY IMPLICITLY ALWAYS AGREES BY VIRTUE OF ITS USE OF THE WORK REQUEST THAT THE DIVISION OF ACCOUNTS WILL MOVE APPROVED BUDGETS IN THE WORK REQUESTS TO ANY OBJECT CATEGORY WITHOUT FURTHER APPROVAL OF THE AGENCY PROVIDING THE FUNDING, EXCEPT THAT NO AMOUNTS WILL BE MOVED INTO CAPITAL OUTLAY WITHOUT THE EXPRESSED WRITTEN APPROVAL OF THE FUNDING AGENCY AND WHICH IS OTHERWISE CONSISTENT WITH LAW.

STANDARD 14

WORK REQUESTS WILL BE HONORED ONLY IF THE AGENCIES AFFIRM IN WRITING THEIR ACCEPTANCE OF THE STANDARDS SET FORTH.

Work Request

Line-By-Line Instructions:

Line 1 – Z-Account assigned

This number is assigned by the Division of Accounts – usually

reflects the Accepting Agency Job Order structure.

Line 2 – From (Originating Dept)

Enter the name of requesting / originating department/agency.

Line 3 – To (Accepting Dept)

Enter the name of the department/agency that will perform the work or service being requested.

Line 4 – Amount Authorized

Enter the total amount authorized for the work or service to be performed.

Line 5a – Request Type

Select the TYPE of request being prepared: Original or Amendment Number.

- If Amendment, indicate number

Line 5b – Request Number (10 digits)

The document numbering structure for Work Requests consists of ten (10) Digits as shown below:

Example1: W 02 0600 001

W (Work Request-others)
02 (Fiscal Year)
0600 (Dept or Agency Code)
001 (Control Number)

Example2: U 02 0600 1 01

U (Work Request-utilities)
02 (Fiscal Year)
0600 (Dept or Agency Code)
1 (Fund type: 1=GF or 2=SP)
001 (Control Number)

Line 6 – Account Number

Enter the complete 18-digit account number, including Object Category.

Line 7 – Vendor Number

Refer to the Vendor Listing or Terminal Inquiry for the proper vendor number.

Line 8a – Desired Completion Date

Enter the date the requesting department/agency would like the work or service to be completed by.

Line 8b – Obligation End Date

Enter the obligation end date.

Line 8c – Expenditure End Date

Enter the date the expenditure end date.

Line 9 – Work Description / Amendment Justification

Describe the work or service.

[a] Program Title

[b] Detailed, but BRIEF, description of work or service to be performed

Line 10 – Certification of Funds

Upon verification of availability of funds, enter the name and original signature of the Certifying Officer.

Line 11 – Requested By

Upon the final review of the Work Request, enter the name and original signature of the Authorizing Official.

Line 12 – Cost Breakdown

Enter the amount on the appropriate Object Classification (row) and column.

[a] Original Cost of MOU

[b] Amendment Cost of MOU

[c] Reserve Cost of MOU

[d] Total Cost (per object class)

“Other” is for object classification not listed on form.

Line 13 – BBMR Use Only

Enter any additional information deemed necessary regarding the work or service being requested.

Line 14 – Acceptance of Authorized Work or Service

Upon review of the Work Request by the department/agency performing the work or service, enter the name and original signature of the Authorizing Official.

Line 15 – DOA Use Only

Enter any additional information deemed necessary regarding the work or service being requested.

Recording of Encumbrance

Upon acceptance of the Work Request, the requesting department/agency will forward the original form to the Department of Administration, Division of Accounts for recording of encumbrance.

Note: Tran Code 120 is used to record this type of transaction.